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BEFORE THE BOARD OF MILK CONTROL
OF THE STATE OF MONTANA
ANNOUNCEMENT OF CLASS I, II & III PRODUCER PRICES

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PUBLISHED: March 1, 2006
EFFECTIVE: April 1, 2006
12:01 a.m.

PRODUCER CLASS I PRICE IN MONTANA

REF: ARM 32.24.301(5)

CLASS I PRICE FOR MILK TESTING 3.5%	$15.04	/CWT
CLASS I BUTTERFAT PRICE PER PUNDD	$1.40	/LB

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EFFECTIVE APRIL 1, 2006:

The minimum price to pay milk producers, under ARM 32.24.301(5) $15.04 per hundred pounds of milk testing 3.5% butterfat, f.o.b. the milk distributor's plant.

When milk does not test 3.5% butterfat, compute the applicable price by applying a differential of 14.0 cents for each one-tenth of one percent butterfat above or below the midpoint of each producer payment. The value of one pound of butterfat utilized will be $1.40.

PRODUCER CLASS II PRICE IN MONTANA

REF: ARM 32.24.301(6)

CLASS II PRICE FOR MILK TESTING 3.5%	$11.01	/CWT

Average spray process dry milk solids price per pound	=	$0.92000		
Multiplied by 8.2	x	8.2		
		$7.54400		$7.54400
Last quote of the month for Grade AA butter minus a differential of $.0895	=	$1.06800		
Multiplied by 4.2	x	4.2		
		$4.48560	+	$4.48560
				$12.02960
LESS a make allowance of 8.5% (		$12.0296 X .085)	-	$1.02252
				$11.00708
Rounded to the nearest whole cent	=	**$11.01** /hundredweight.		

 EFF: April 1, 2006

CLASS II BUTTERFAT PRICE PER POUND					$1.19 /LB
Last quote of the month for Grade AA butter					
minus a differential of $.0895	=	$1.06800	X .111)	=	$0.11855
Rounded to the nearest half cent				=	$0.119
Butterfat value per pound					
for milk at 3.5% test:		$1.19			
Hundredweight price of milk testing 3.5%				=	$11.01
LESS 3.5 pounds of butterfat at		$1.19	per pound	-	$4.165
Value of 96.5 pounds of skim				=	$6.845
CLASS II VALUE OF					
ONE POUND OF SKIM		6.845	/ 96.5 pounds)	=	$0.07093 /LB

PRODUCER CLASS III PRICE IN MONTANA

REF: ARM 32.24.301(7)

CLASS III PRICE PER CWT FOR MILK TESTING 3.5%				$9.40 /CWT
3.5 pounds of butterfat	x	$0.96	per pound =	$3.360
96.5 pounds of skim	x	$0.06262	per pound =	$6.042
				$9.402 /CWT

CLASS III BUTTERFAT PRICE PER POUND				$0.96 /LB
Last quote of the month for Grade AA butter				
minus a difference of $.0895	=	$1.06800		
LESS 10%	-	$0.10680		
		$0.96120		
Rounded to the nearest whole cent	=	$0.96	per pound.	

CLASS III PRICE PER CWT FOR SKIM MILK UTILIZED				$6.26152 /CWT
Avg. spray process dry milk solid price/lb =		$0.92000		
Multiplied by 8.2	x	8.2		
		$7.54400		
LESS 17%	-	$1.28248		
		$6.26152		
Rounded to the nearest whole cent	=	$6.26	per hundredweight.	

BY ORDER OF THE MONTANA MILK CONTROL BUREAU

Compiled by: Monte Nick

Monte Nick, Bureau Chief
Montana Milk Control Bureau

BREAKDOWN BY TEST FOR CLASS I, II & III SKIM PRICES

CLASS I SKIM PRICE BASED ON $15.04 FOR 3.5% MILK 96.5 LBS = $10.140			CLASS II SKIM PRICE BASED ON $11.01 FOR 3.5% MILK 96.5 LBS = $6.845			CLASS III SKIM PRICE BASED ON $9.40 FOR 3.5% MILK 96.5 LBS = $6.042		
	Blend Prices			Blend Prices			Blend Prices	
	Quota	Excess		Quota	Excess		Quota	Excess
Jan-96	$ 14.77	$ 10.75	Jul-99	$ 12.85	$ 11.66	Jan-03	$ 12.85	$ 10.61
Feb-96	$ 14.75	$ 9.63	Aug-99	$ 13.25	$ 13.11	Feb-03	$ 11.08	$ 9.52
Mar-96	$ 13.39	$ 9.94	Sep-99	$ 14.79	$ 12.26	Mar-03	$ 11.31	$ 9.65
Apr-96	$ 13.78	$ 9.40	Oct-99	$ 16.32	$ 10.20	Apr-03	$ 11.10	$ 10.06
May-96	$ 14.18	$ 9.37	Nov-99	$ 17.00	$ 8.10	May-03	$ 11.17	$ 9.80
Jun-96	$ 13.98	$ 9.84	Dec-99	$ 12.68	$ 8.18	Jun-03	$ 10.99	$ 9.49
Jul-96	$ 15.42	$ 11.48	Jan-00	$ 11.39	$ 8.14	Jul-03	$ 11.23	$ 10.00
Aug-96	$ 16.52	$ 13.19	Feb-00	$ 12.33	$ 7.98	Aug-03	$ 11.65	$ 12.40
Sep-96	$ 16.14	$ 13.37	Mar-00	$ 12.15	$ 8.05	Sep-03	$ 12.58	$ 12.67
Oct-96	$ 16.33	$ 12.47	Apr-00	$ 12.18	$ 8.03	Oct-03	$ 14.50	$ 14.08
Nov-96	$ 17.19	$ 10.54	May-00	$ 12.35	$ 7.79	Nov-03	$ 14.09	$ 12.38
Dec-96	$ 15.41	$ 8.09	Jun-00	$ 12.47	$ 7.83	Dec-03	$ 14.60	$ 11.22
Jan-97	$ 13.25	$ 11.85	Jul-00	$ 13.11	$ 9.21	Jan-04	$ 14.15	$ 10.59
Feb-97	$ 13.01	$ 9.83	Aug-00	$ 13.51	$ 8.04	Feb-04	$ 12.75	$ 11.64
Mar-97	$ 13.35	$ 9.95	Sep-00	$ 13.38	$ 9.53	Mar-04	$ 13.15	$ 12.48
Apr-97	$ 13.84	$ 9.88	Oct-00	$ 13.49	$ 8.14	Apr-04	$ 14.23	$ 13.94
May-97	$ 13.79	$ 8.11	Nov-00	$ 13.40	$ 10.31	May-04	$ 14.45	$ 13.95
Jun-97	$ 12.37	$ 8.09	Dec-00	$ 12.82	$ 9.29	Jun-04	$ 18.35	$ 12.97
Jul-97	$ 12.34	$ 8.14	Jan-01	$ 14.01	$ 10.23	Jul-04	$ 19.04	$ 10.58
Aug-97	$ 12.41	$ 9.59	Feb-01	$ 13.47	$ 9.91	Aug-04	$ 17.27	$ 11.19
Sep-97	$ 12.80	$ 10.38	Mar-01	$ 12.84	$ 10.47	Sep-04	$ 14.63	$ 11.29
Oct-97	$ 13.76	$ 10.50	Apr-01	$ 14.10	$ 11.76	Oct-04	$ 14.24	$ 11.17
Nov-97	$ 14.05	$ 11.22	May-01	$ 14.68	$ 12.62	Nov-04	$ 15.26	$ 11.49
Dec-97	$ 14.22	$ 10.43	Jun-01	$ 15.78	$ 13.09	Dec-04	$ 13.86	$ 10.66
Jan-98	$ 14.16	$ 10.10	Jul-01	$ 15.48	$ 13.36	Jan-05	$ 15.51	$ 13.80
Feb-98	$ 14.38	$ 10.11	Aug-01	$ 16.52	$ 13.92	Feb-05	$ 15.67	$ 10.61
Mar-98	$ 14.50	$ 9.65	Sep-01	$ 15.74	$ 14.58	Mar-05	$ 14.32	$ 11.99
Apr-98	$ 14.50	$ 9.65	Oct-01	$ 16.74	$ 13.29	Apr-05	$ 15.03	$ 12.43
May-98	$ 13.72	$ 8.71	Nov-01	$ 15.40	$ 12.22	May-05	$ 14.74	$ 12.74
Jun-98	$ 13.37	$ 10.65	Dec-01	$ 14.90	$ 10.38	Jun-05	$ 14.57	$ 11.81
Jul-98	$ 12.91	$ 12.54	Jan-02	$ 12.99	$ 10.60	Jul-05	$ 14.09	$ 12.30
Aug-98	$ 14.53	$ 13.06	Feb-02	$ 12.90	$ 10.78	Aug-05	$ 15.16	$ 13.33
Sep-98	$ 16.03	$ 13.37	Mar-02	$ 12.77	$ 10.50	Sep-05	$ 15.47	$ 12.66
Oct-98	$ 16.12	$ 14.72	Apr-02	$ 12.72	$ 10.20	Oct-05	$ 14.76	$ 13.77
Nov-98	$ 16.34	$ 15.91	May-02	$ 12.55	$ 10.84	Nov-05	$ 14.97	$ 13.21
Dec-98	$ 17.17	$ 15.55	Jun-02	$ 11.51	$ 8.79	Dec-05	$ 14.96	$ 12.29
Jan-99	$ 16.94	$ 10.92	Jul-02	$ 12.30	$ 9.46	Jan-06	$ 14.15	$ 12.46
Feb-99	$ 17.54	$ 9.92	Aug-02	$ 11.82	$ 10.15	Feb-06		
Mar-99	$ 16.75	$ 9.63	Sep-02	$ 11.86	$ 10.36	Mar-06		
Apr-99	$ 11.95	$ 10.31	Oct-02	$ 11.68	$ 10.11	Apr-06		
May-99	Missing May		Nov-02	$ 11.60	$ 10.66	May-06		
Jun-99	$ 12.86	$ 9.51	Dec-02	$ 12.04	$ 10.61	Jun-06		

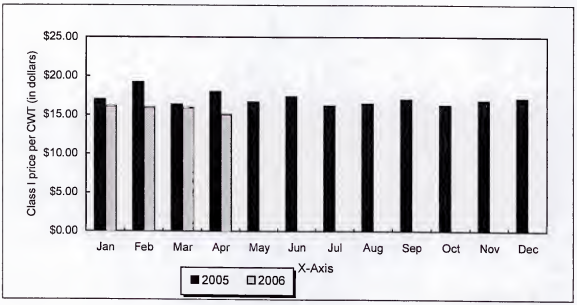
PRODUCER CLASS I PRICE IN MONTANA

Charts below show a class I price comparison for 2004 and 2005

Statistics from the Montana Milk Control Bureau

Month	2005	2006	Difference	% Change
January	$16.98	$16.12	($0.86)	-5.06%
February	$19.20	$15.93	($3.27)	-17.03%
March	$16.34	$15.93	($0.41)	-2.51%
April	$17.98	$15.04	($2.94)	-16.35%
May	$16.68			
June	$17.35			
July	$16.17			
August	$16.44			
September	$16.99			
October	$16.25			
November	$16.82			
December	$17.11			
Average	**$17.03**	**$15.76**	**($1.87)**	**-10.24%**

Prices are per hundredweight (CWT).



Completion of pooling (prior to audit) shows the producer quota blend prices to be:

JANUARY 2006: class I = $9.36; class II = $1.20; Class III = $3.67; total = $14.23

(calculations based upon utilization percentages of butterfat & skim)